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Department of Politics and Public Administration

RETICENT OR ROBUST REFORM?

Charting the Development of the Central Bureaucracy in Ireland

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Abstract

Ireland is no different to other EU/OECD countries whereby ongoing reform is pursued in order to enhance the public sector's capacity to deal with expanding policy competences, societal change and the demands of an international environment. The current fiscal crisis is the backdrop for a presentation of past and present reform initiatives in Irish public administration. The discussion utilises the conceptual lenses of longitudinal (historical) and normative (sociological) institutional approaches. It charts the development of the state bureaucracy and role of the civil service in four distinct periods - the early decades of independence, fiscal rectitude in the 1980s, the boom of the 'Celtic Tiger' and the impact of the fiscal crisis in 2009. Contemporary reform initiatives to promote the strategic capacity of the civil service will be considered in view of the critical importance of public sector reform for the return of economic competitiveness and a restoration of the public finances. It is argued that current reforms have modernised the civil service but have been of a largely technical nature and the 'path dependency' of specific institutional characteristics endures.

Introduction

Effective public management is much more than the application of technical measures and techniques. Government has a larger role in the societies of OECD/EU countries than it did two decades ago and must develop the appropriate capacities and methods to deal with complex policy problems and an inter-connected international system. This requires a well functioning public administration with the ability to enhance policy capacity through strategic choices and optimal resource use, in tandem with an administrative capacity to manage and implement the agenda. These administrative/management arrangements are inextricably linked to the fundamental institutions of public governance which provide stability and characterise the polity. In the case of Ireland much has changed in the past 30 years. Public institutions have experienced adaptational pressures as a result of economic and social modernisation and increasing integration into the European and global economy. As is evident in other states, a reform agenda has been promoted to enhance the public sector's capacity to mediate and drive these changes and facilitate development.

This paper aims to explore the capacities of the Irish central bureaucracy in its role as a nexus between political leadership and external socio-economic forces. The achievements and trials of public sector reform will be emphasised as sustained reform is considered imperative given the contemporary states' challenges arising from the global financial crisis and collapse in the national public finances. Using institutional theory the discussion will explore the development of the state bureaucracy and role of the civil service in four distinct periods - the early decades

of independence, fiscal rectitude in the 1980s, the boom of the Celtic Tiger and the current severe economic and fiscal situation. The historical influence of institutions is both acute and subtle since institutions comprise the norms and conventions of behaviour, as well as constituting the formal apparatus of government. The current reform initiatives to promote the strategic capacity of the civil service and a whole of public service perspective will be considered in view of the critical importance of public sector reform in the restoration of economic competitiveness. It is argued that current reforms have modernised the civil service but have been of a largely technical nature and the 'path dependency' of specific institutional characteristics endures.

Contextualising the reform of the public sector

Ireland is a sovereign state on the periphery of Europe but its population is only two-thirds of metropolitan Boston (Krugman and Venables, 1995). Despite its size and geographical location, politicians, diplomats and policy-makers have long considered Ireland's economic and political development in the 1990s as an unparalleled success story, with the State ranked as one of the top performing economies in Europe. This turnaround and contrast to the economic crisis of the 1980s has focused attention on the developmental role of the Irish state and stimulated debate on the capacity of the active state to address sustainability. Amongst the discourse surrounding this is the view that the economic progress of the Celtic Tiger largely put the profitability of multinational companies before the needs of citizens and lacked stimulation of sufficient indigenous development, thus not fostering sustainability. Such views are reinforced by comments that the promotion of a competition state has materialised which prioritise goals of economic competitiveness rather than social cohesion and welfare (Kirby and Murphy, 2008; Kirby, 2002). In late 2007, however, domestic economic growth faltered in the light of escalating energy prices, a downturn in global markets and a drop-off in domestic consumption and production. Since then tax receipts have fallen drastically and borrowing requirements significantly increased. The Irish State's vulnerability as a small open economy was evident in the global financial crisis in 2008. The reverberations felt by both the global credit crunch and a domestic housing bubble collapse, however, arguably obscured the fact that before the acute crises of 2008 the Irish economy was already in difficulty. A looser rein on public finances and a spiralling loss of competitiveness, the origins of which were apparent from the late 1990s, threatened its position as premier European host to inward direct investment. A disproportionate dependency on the construction industry and property sector characterised development. From 2003 in particular, the close correlation between credit expansion in the economy generally and house price inflation suggested that property price movements were increasingly driven by banks' lending practices rather than the state of the "real" economy. This became all too apparent during the dramatic fall-out in autumn 2008 and an unprecedented decline in GDP. During 2009 the deep fiscal crisis resonated with Ireland's profound fiscal struggles in the 1980s, a situation worsened by recession in the Eurozone and globally. What distinguishes the current predicament is that "the fiscal systems second crisis since the foundation of the state has coincided with the

banking system's first" (McCarthy, 2009:1). Drawing direct parallels with the experience of Ireland's fiscal crisis in the 1980s are, however, deemed to be of limited value given the quite different circumstances. It is also asserted that fiscal consolidation in the post 1987 period was less daunting than is likely to be the case over the coming years (ibid).

Effective public management or the "art of the state" (see Hood, 1998) is fundamental to the state achieving its ambitions – economic, environmental and social. In international comparisons the quality and efficiency of the Irish public administration ranks relatively well in a cluster of OECD states (Social and Cultural Planning Office, 2004; OECD, 2008). It is acknowledged, however, that the state of the art of comparison has not developed to a stage where clear judgements can be made (Boyle, 2007). From the outset the Irish State had a strong civil service and education system, as well as a functional democratic system with many of the structures and institutions inherited from Britain in 1922, thus ensuring continuity. For example, it is recorded that 20,415 officials, comprising 98% of what became the civil service of the Irish Free State, transferred from the service of the UK to the service of the Provisional Government (Fanning, 2007:9). Regarding positive developments, the Irish public service has contributed historically to a number of major economic and political achievements. These include the consolidation of the institutions and social services of an independent democratic state; economic development reforms; the negotiation of EEC entry and the sustaining of EU membership; the Northern Ireland peace process and since 1987, economic recovery, social partnership and the Celtic Tiger era. The institution of public service has, however, also been heavily criticized for a lack of innovation given its inability to stem the prolonged economic stagnation up to the 1950s, Ireland's comparatively poor economic performance over 50 years up to the mid-1980s (Lee, 1989), and more recently the failure to effectively control expenditure. Arguably the hike in public sector spending since the late 1990s has not been sufficiently tied to the elimination of many inefficient working practices, the concrete delivery of value for money in effective public service delivery, or significant innovation, regardless of the rhetoric of reform.

Despite this there is a general view that overall the institution of the public sector has served the State well (Callanan, 2007; Dooney and O'Toole, 1998). However, ironically in the midst of the financial crisis (bringing into focus the irresponsibility of bankers and developers), the public sector has been subject to criticism, and assertions that the crisis has revealed significant weaknesses in the political system (Hardiman, 2009). The domestic failure in expenditure control and the deficient oversight of the private banking system by public regulators sparked a controversial debate fuelled by the media about efficiency and capability within the public sector. Its performance is perceived as both a contributory symptom and a necessary solution to current economic maladies. It may be argued that internationally a new public/private paradigm is emerging with the return of the state to a more direct regulatory role. During the late-1980s and 1990s the private sector model of management, corporate governance practices, and flexible modes of regulation (as opposed to 'red tape') were actively promoted as a prescription for public sector efficiency and cultivating enterprise. In the past decade the high

profile collapses of corporations such as Enron, MCI Inc and more currently the operation of the banking sector, highlight profound governance failures and illustrate a 'bankruptcy' in the application of these principles. This raises a new set of questions in the debate on private sector type management versus public sector type management. Drechsler and Kattel note that "the period of history we are now entering, and this goes for the next 20-30 years, is bound to be much more state friendly than the 1990s [as we ask ourselves] how to govern or steer a complex innovation based society" (2008:97). The potential of a new paradigm spotlights the capacities of the Irish bureaucracy to assist the political leadership and participate effectively in those challenges, both in terms of policy and administrative capacities. The following section outlines a framework of questions with reference to institutional theory and perceptions of developments in comparative public management which will underpin the subsequent discussion of Ireland's public sector reform experience.

Theoretical framework – institutionalism and public management

Institutions are frameworks that structure choices by providing appropriate routines and standard operating procedures (Di Maggio and Powell, 1991; March and Olsen, 1989). They embody cultures and past political decisions, hence influencing how political-administrative actors exercise their current decision-making. For institutionalists the institutional organisation of the polity on the political economy is seen as the principal factor structuring collective behaviour and generating distinctive outcomes (Hall and Taylor, 1996). Since the study of public administration has traditionally focussed on the structures of government and the pursuit of governing public affairs, it is assumed that the significance of institutions is consciously and subconsciously guaranteed. 'Old' institutional approaches tended to concentrate on the importance of rules and laws as a means to shape public sector organisations and their conformity to the norms and values that underpin democratic accountability and public service. This is reflected in the normative debates of Wilson (1887) and Weber (1922). This perception of institutionalism can be regarded as having an uneasy relationship with newer governance approaches. For example, new public management ideas, contracting-out and the emergence of steering through networks have challenged institutional approaches to the investigation and practice of public administration and departed from the traditional paradigm.

The 1980s era marking the departure from the traditional model and the subsequent coining of the term new public management (NPM), however, also coincides with a re-discovery of institutions as independent variables. Theorists departed from the static institutionalist explanations and advocated how institutions may affect change, lack of change, or even individual actor's strategies and how they want to achieve their goals. This resulted in diversity in the explanations of how interests and goals themselves are moulded and re-moulded. These further explanations of how institutions shape behaviour do not conform to one body of thought. There are three approaches to 'new' institutionalism, namely historical, rational choice and sociological. Rational choice accounts (less central to the discussions in this paper)

consider preference formation as exogenous whereas other institutionalist theorists consider that interests are endogenously forged (Peters, 2005; March and Olsen, 1989). These new institutionalist approaches accept that there is a variety of influences on public policy in terms of the roles that public institutions play in shaping and determining social and political outcomes. The three variants are distinct in their ontological understanding of human behaviour – either calculus or culture led (Hall and Taylor, 1996) – and hence the logic behind change.

The most basic assumption that holds these three approaches together is that institutions have a structuring effect on political actions and outcomes (Aspinwall and Schneider 2000). Rational choice or actor-centred institutionalism focuses on strategic, goal oriented behaviour within institutional limits, conforming to a refined version of rational choice theory. In contrast historical institutionalism stresses the resilience of national policies and institutions against outside pressures. The hypothesis tested by historical institutionalism is that the current outcomes of public decisions do not reflect the mere preferences or interests of contemporary actors. Rather they are channelled by the existing and past institutional arrangements, whereby public policy choices made in the past shape choices forged today. These arrangements are said to be very deeply rooted in national history. It is the sense of permanence that makes the institutions legitimate in the eyes of national actors (March and Olsen, 1989). Political actors' disagreement with the prevailing policies of the institutions is crucial for change (Peters et al, 2005) since this account argues there will be clear expectations concerning the scope and mode of change. It is only in exceptional cases of fundamental performance crises or external shocks that the discrepancy between exogenous pressure and actors' adaptive capacity and self-reinforcing feedback gives way from the path of continuity or 'path dependency'. As a result of these 'critical junctures' a new path emerges for actors to adapt their behaviour and choice, becoming 'locked in' to a new set of continuities and compliant behaviour.

Sociological institutionalists suppose that individual behaviour is led by duties and obligations (March and Olsen 1989). Institutions provide standards of obligation which help individuals in assessing which course of action is expected from them in a particular situation. "Individuals face choices all the time, but in doing so they seek guidance from the experiences of others in comparable situations and by reference to standards of obligation" (Dimaggio and Powell, 1991: 10). Organisations seek to be successful by adhering to cultural norms that are commonly perceived to be appropriate and legitimate (Peters, 2005). The core notion of sociological institutionalism is that life is organised by relatively stable sets of shared meanings and practices. Institutions are defined as practices, administrative rituals, symbols - a definition that is broader than the rationalist focus on formal rules and the technical requirements of the task at hand. These rules are followed because they are seen as 'logic of appropriateness' that is natural, rightful, expected, and legitimate. The sociological perspective focuses heavily on the importance of learning as a means of bringing about the change which allows institutions "to identify and then adapt to changing circumstances in their environment" even though such changing circumstances may also be seen as a threat to its "established pattern of behaviour" (Peters, 2005: 35).

Taking the maxims of historical institutionalism and sociological institutionalism into account, the alterations to the nature of state bureaucracy prompted by NPM reform prescriptions and governance approaches need to be considered. NPM has strived to replace formal relationships and laws with ones based on budgets and market mechanisms. Institutional change is reflected in the reduced emphasis on input processes and control but also in a shift towards a perceived concentration on monitoring and evaluation using performance indicators. A changing role of the state is heralded since bureaucracy and markets are opposing forms of organisation: bureaucracy relies on force and markets rely on choice (Ostrom, 1989). However, while there is much that is new in contemporary governance, it is also true that many developments in public management approaches may not be original so much as adaptations of old institutions to new circumstances (Lynn, 2006:108).

Such sentiments are acknowledged by Christensen and Lægreid (2001) who argue that identity changing reforms may be implemented in the public sector but only in a “highly history path dependent and distorted way” (Christensen and Lægreid 2001: 14-16). They differentiate between the ‘supermarket state’ and the ‘sovereign state’ model. The former attends to economic values and norms meaning that other values and considerations from the centralised state model will be downgraded i.e. economic factors dominate the public sector. Whereas the latter conforms to a centralised state with a large public sector in which standardisation and equality are prominent features. The authors acknowledge that neither sovereign state or supermarket model are fully embraced holistically in their reforms but are rather blended and synthesized. Lynn (2006) argues that utilising NPM as a general brand and explanation of change has distorted understandings of adaptation, change and reform in public institutions. He cites the comparative work of Pollitt and Bouckaert (2004) who argue that there has been a tendency to use the generic ‘rhetoric of reform’ to exaggerate similarity whereas in fact the results are rather mixed. Pollitt and Bouckaert illustrate their own variant of models of adaptation to reform in their distinction between countries reflecting more intense ‘NPM’ marketisation and those conforming to ‘Neo-Weberian’ preservation of the idea of public service and reaffirmation of the state (2004:96-100). These labels are further differentiated into maintainers, modernisers, marketisers and minimal state. Secondly, there has also been a tendency to neglect transformations in administrative institutions, notably devolution and deconcentration (see Toonen, 2003) which have considerable consequences. Finally, Lynn comments that as an outcome of these distortions, “the path dependence of change - the fundamental continuity of administrative institutions - has been obscured, with the resulting loss of insight into the change process itself and the future prospects for reform” (2006:108).

A central goal of this paper is to try and understand the insights into change processes and public management reform outcomes in the Irish case through longitudinal (historical) and normative (sociological) approaches.

The following questions will be examined.

1. What are the building blocks of the national and organisational public service norms and culture? Is there a particular 'logic of appropriateness'?
2. What decisions were taken at the formation of the state and what long term impact has this had on institutions?
3. What implications have these historical / normative developments had on the development of the public sector, reform and its implementation?
4. Which brand or public management model does Ireland conform to - New Public Management (NPM) / Neo-Weberian State (NWS), Supermarket / Sovereign state?

Mediating forces shaping the political-administrative institutions

In order to understand historical and normative institutionalist accounts in the Irish context it is important to reflect on how Irish political culture and the institutional framework has been shaped as a result of social, political and economic processes. Small states like Ireland are usually compared to their closest neighbour and as a result of colonial heritage Ireland had a relatively modernised society upon independence in 1922. It has been argued that the new Irish State had many positive attributes with good physical infrastructure, a recently overhauled civil service machine, the imposition of early welfare measures by the British parliament and a fair standard of elementary education (Garvin, 2004: 2). The desire for Irish independence building in the late 19th and early 20th Centuries was founded on both political and cultural nationalism. It was a prevailing belief that being Irish was irreconcilable with being ruled from England and that sovereignty was necessary to underpin Irish identity. However, despite this and a political mood in 1922 reflecting distance from Britain, it was never in doubt that the Free State would adopt a form of representative parliamentary government since the experience of Westminster politics and administration had deep roots in Ireland (MacCarthaigh, 2005: 63).¹

Ireland was a direct beneficiary of the Northcote-Trevelyan modernising reforms as they emerged in practice in the early 20th Century. In addition the Constitution (both 1922 and 1937) explicitly included the principle of cabinet responsibility. The officials who transferred to the new Irish civil service were steeped in the British tradition and features of this tradition such as merit and political impartiality endured since there was no infusion of political appointees. The elite did not deem it necessary to create new administrative machinery despite the break in constitutional tradition. The continuity rather than change did not occur in the absence of a cultural imprint. The 'greening' of the civil service had gradually developed as a consequence of open recruitment for lower civil service grades from

¹ In 1937 the constitution of the Irish Free State (1922) was replaced by the current constitution Bunreacht na hÉireann. Its main features included an emphasis on the republican and unitary nature of the state, a bicameral legislature - the Oireachtas composed of an upper house, Seanad Éireann, and a lower house, Dáil Éireann, together with the government and independent court system. Their structure and operation were consciously modeled on the British institutional framework. The head of government in Ireland is the Taoiseach and the head of state is the President who is elected by the people every seven years.

1870 and a discriminatory policy of promoting civil servants with a nationalist persuasion. Political appointees had resigned or been dismissed during the revolutionary period.

Hence while political independence did not constitute any overt administrative problem, Ireland's development as a state saw the emergence of a distinctive political culture characterised by a strong belief in democracy and public allegiance to the political system, as well as traits such as paternalism, clientelism, personalism, authoritarianism, and contradictory trends of centralism and localism (see Hayward and MacCarthaigh, 2007). Perhaps the strongest influence on Ireland's societal culture and identity was the Catholic Church. This was also a legacy of British government in Ireland as partnerships had developed between the church and the British state whereby religious organisations undertook the provision and delivery of many social services (Garvin, 2004). The Church subsequently influenced the behaviour of individuals, instilled a sense of community, continued to issue pronouncements on social issues and played a dominant role in policy-making and resource allocation in the fledgling state for several decades (Connaughton and Quinn, 2010; Chubb, 1992). The 1937 Constitution of Ireland that replaced the negotiated Free State constitution of 1922 was a deliberate attempt to integrate Catholic social teaching into the liberal democratic tradition inherited from Britain.

It is also asserted that the developing political culture understood democratic politics if not always possessing a complete understanding of democratic government. As Garvin (2004: 3) notes "the unresponsive, patronising and often bullying character of British rule had left bad Irish habits, particularly a persistent popular tradition of being 'agin the government'." Political reform was required to restore faith in democracy. A deliberately strong central executive contrasted with the erosion of the autonomy of local government. The new Irish state moved swiftly to curtail the powers of local authorities in an alleged sacrifice of democracy to combat anarchy and eliminate corruption. Crucially, a high level of tax centralisation made local government weak and dependent on the government departments for resources. This centralisation was further accentuated by the copper fastening of what Fanning (2007: 10) describes as the "fundamental principles" of the British financial system/role of the Treasury and their emulation by the Department of Finance. In the Cosgrave administration the Minister of Finance was also head of government which afforded immense advantages to the senior officials seeking to root the British legacy since the general civil service organisation and regulation was vested in the Department. Other indigenous recalibrations of institutional features included the Civil Service Commission in 1924 and the Local Appointments Commission in 1926 which embraced the meritocratic ethos. British legacy was also apparent in the generalist pattern of recruitment that enshrined a "cult of the amateur" within the service (Lee, 1989: 93). These reforms, however, established the long term values of a professionalised and competent civil service rather than patronage in spite of a background of divisive civil war.

The *Ministers and Secretaries Act 1924* became the legal basis for the civil service and this exacerbated the characteristics of centralisation and control. The minister in charge of each department was designated a 'corporation sole', whereby the minister would essentially be the department and the acts of the department would be the acts of the minister for which he/she would be responsible to the Dáil. From a legal point of view, the civil service played a subservient role, thus parliamentary control of the civil service developed as indirect in nature, occurring through the doctrine of ministerial responsibility and the government. The structural features of the electoral system, however, did not contribute to fostering a professional cadre of political policy makers. The multi-seat single transferable vote proportional representation system (PRSTV) produced national politicians who were significantly preoccupied with local electoral survival, arguably to the detriment of national policy. This reinforced bureaucratic continuity since senior civil servants served essentially inexperienced governments and ministers which were reliant on their expertise. Hence, another maxim of British civil service, that of 'clear sight over short distances' also became a hallmark of the Irish administration (Barrington, 1980:31). The parliament (Oireachtas) developed along a trajectory that mirrored the demise of the legislature in other liberal democracies. Its oversight mechanisms were weak and legislators were predominantly resident in their constituencies undertaking constituency work.

Continuity of personnel and structure was mirrored by continuity of procedure and the relationship that developed between politicians and civil service had the effect of enabling the public service to be largely its own keeper with respect to reform. From the beginning policy making became marked by incremental adaptation and this was illustrated in the expansion and adaptation of the institutional framework for modernisation. The new Irish State encountered serious infrastructural deficits and introduced commercial and non-commercial state sponsored bodies (SSBs) as instruments for development.² The first major commercial public enterprise development commenced with the establishment of the Electricity Supply Board (ESB) in 1927. It was asserted that the rigidity of the civil service system was considered unsuitable for the running of such commercial operations (Dooney and O'Toole, 1998). Their organisation took the form of ministers being placed at one remove from these bodies, namely that ministers were responsible for policy but not for the detail of operations. Although established for practical reasons they emerged unsystematically and led to another tier of administrative bodies in addition to government departments and local authorities. The lack of coordination and unwieldy features prompted descriptions of a "jungle of administrative areas" (Chubb, 1992) that was inefficient and unfathomable to the ordinary citizen.

² Examples of commercial SSBs include the ESB (electricity supply) and Bord Gais (gas). Non-commercial SSBs include Teagasc (agricultural advice and research), Forfás (national policy and advisory board for enterprise, trade, science, technology and innovation), Fás (training), Bord Fáilte (tourism).

From this short overview several 'path dependent' features of the Irish bureaucracy emerge from the institutional framework and the culture in which norms and practices were situated and sustained:

- The incorporation of British norms and tradition through assimilating a model of durable democratic institutions and administrative system
- Adherence to apolitical, impartial, meritocratic principles and the idea of public service which manifested distinct modes of handling problems and solutions
- A pragmatic and stable but weak internal logic for dealing with robust state development leading to a preponderantly sectoral approach and reliance on incremental solutions rather than cultivating reform capacity
- A brand of political culture characterised by personalism, clientelism, authoritarianism, centralism and localism – which could be employed to overcome the inadequacies of the system e.g. the brokerage 'fixer' role of politicians or role of the Catholic Church in ad hoc partnerships

State consolidation – optimism and recession

By 1957 the boundaries and philosophy of the central administration seemed reasonably settled and were very similar to the institutions set up on the foundation of the state (Gaffey 1982: 115). From the 1930s to the 1950s economic, foreign and social policies promoted isolationism and self-sufficiency. This reinforced a nationalism that advocated cultural monochromism, social homogeneity and political solidarity. The 1937 Constitution gave normative effect to these core values of Irish national identity. In the economy the Irish state displayed a strong propensity to the creation of monopolies. Protectionism was the dominant ideology between the 1930s and late 1950s. New state sponsored bodies were established in agriculture, industry, investment and production, e.g. the Irish Sugar Company (1933) and Aer Lingus (1936). The economy did grow marginally between 1945 and 1949 but the general stagnation of this era left Ireland lagging behind as a poor and irrelevant country that did not engage seriously with the modern world. This was in marked contrast to the re-emergence of social capitalism across Europe, with Marshall Aid providing most states with a much needed boost leading to economic growth. In a changed world Ireland made "a series of non-decisions" that in the short to medium term were disastrous to the country's development prospects (Garvin, 2004: 4). The political elite seemed to lack the ideas and ability to change things, a tendency reinforced by both structural institutional features and the distinctive culture. The civil service also preserved the status quo. Fanning (2008: 193) asserts that "civil servants no less than priests had to negotiate gingerly institutional controls, questions of doctrine and expectations of surrender to authority." Over time the service became composed of principally young men from similar backgrounds in rural Ireland, typically educated by the Christian Brothers and from families that were unable to afford third level education. They were described as intellectually able and hard working, but rather narrowly practical in their approach and deeply conservative (see Chubb, 1992). What can be implied from this is that the development of the Irish senior civil service reflected neither a bureaucratic elite on a par with its British Oxbridge counterparts, or a cohort

schooled in the social sciences and the essential techniques for policy making. As a consequence policy steering was shaped by the conventions of the organisational culture and informal approaches rather than clear strategic planning and rational structures

The delay in abandoning the flawed experiment in protectionism was a significant policy mistake. Such delays were also evident later on in the failure to invest in education earlier and implement policy recommendations to address problems of indigenous industry (Sweeney, 2008). By 1955-56 Ireland was experiencing severe balance of payments problems and economic recession, high unemployment and mass emigration. The political leadership had begun to react as evidenced by the decision of the inter-party government in 1949 to establish a stand alone economic development agency – the Industrial Development Authority – which had a research function and promoted the intensification of economic development under directors, not civil servants. In 1959 Sean Lemass replaced Eamon de Valera as leader of Fianna Fáil and Taoiseach and initiated a policy of modernisation, which was to lead the State out of economic depression. A key actor in this transition was T.K. Whitaker, the new Secretary to the Department of Finance, appointed in 1956. Based on a document by Whitaker a Programme for Economic Expansion was adopted in 1958. Whitaker's report marked a move away from the mantra that political independence implied economic independence. He argued that a cultural change was a precondition of economic development since prior to this point the bureaucratic elites in the Department of Finance had perceived their mission as one to promote the self sufficiency of the State. The initiatives taken by Whitaker and his colleagues mark a critical juncture in the way the administration affirmed its role as a nexus between political leadership and the socio-economic development. These officials acknowledged that new skills were needed in the public sector (Fanning, 2008) and bureaucratic inflexibilities needed to be overcome. The adoption of planning and applied thinking in the economic areas of government was an innovation. It was also unusual that the analysis went through the Cabinet and was published in the civil servant's own name as a personal imprint on policy. The programme called for the dismantling of tariffs, the adoption of incentives to stimulate industrial investment, government spending to be used to support productive enterprises and more support for agriculture. The objective was to modernise the Irish economy by refocusing on indigenous industry, the promotion of export markets and attraction of inward investment to Ireland. While this official leadership reflected a whole new way of thinking about Irish development and heralding a new era of state building, the approach has not been without criticism. It has been argued that the expanded role of the state to planning did not translate into new institutional arrangements within government departments for proactive problem solving. Commentators such as Adshead, Kirby and Millar (2008) have argued that a lack of ideology continued to prevail and that the problem of late state development was narrowly conceived of as an economic problem to the detriment of other perspectives.

The Irish economy grew by four per cent per annum from 1960 to 1967, reflecting a mix of factors including the government's new approach and favourable international economic conditions arising from the growth of the world economy,

especially investment by multi-national corporations (MNCs) in Ireland. Consultation with relevant interest groups was acknowledged as a nascent corporatism was evident in the establishment of fora such as the National Industrial Economic Council (NIEC) in 1963, which became the National Economic and Social Council (NESC) in 1973. However, socio-economic growth rapidly overtook an institutional framework poorly adapted to cope with the tasks now demanded of it as responsibility for developing and steering the economy necessitated the creation of policy making units in departments. In 1969 Ireland's EEC application was revived and Community membership commenced in 1973. Paradoxically, this accession may have posed a greater challenge to the civil and public service than the emergence of the independent state. Laffan (1991: 190) argues that the adaptation of public administration to EEC membership questioned the capacity of the system to cope with the demands of the European policy process and societal circumstances. The necessity for reform was recognised by the Taoiseach Sean Lemass who had appointed the Public Services Organisation Review Group (Devlin Committee) in 1968. The Devlin Committee was charged with reporting on the most appropriate administrative structures to devise and implement policies to guide state decision making in an era of change. A similar exercise in the UK culminating in the Fulton Report 1968 recommended that control of the civil service be removed from the Treasury, whereas Devlin concentrated on structures, process management and a seeming lack of attention to effective planning. The resulting Devlin Report 1969 was the first comprehensive attempt since the *Ministers and Secretaries Act 1924* to consider how the public sector might be reorganised and managed. It analysed the issue of political control and delegation in terms of the burden of administrative work falling upon ministers and higher civil servants and provided an overall blueprint for change. In particular, two defects were diagnosed in the administration - inadequate emphasis on policy making and lack of coordination within the service as a whole.

The Group was particularly critical of the arbitrary way in which new functions of government were organised. Structures needed to be rationalised and a new division between what must be subject to political direction and control and what could be left to more independent units working through agreed systems towards defined objectives (Gaffey, 1982: 118). Attempts were made to create a distinct policy making section within selected government departments called the 'Aireacht', to identify clearly and separate these functions. Cosmetic progress was made on the Devlin recommendations as many higher level civil servants saw no need for reform and the political will to push them forward was absent. For the tiny but increasing number of politicians and administrators who were promoting reform, senior officials as a collective were regarded as an obstacle for development (Chubb, 1992: 238).

Clearly necessary reform was not just a question of structures but also of culture, ideas and intellectual influences shaping the civil service. Government departments operated like ivory towers in a tightly defined and largely homogenous cultural context. Despite the influence of talented individuals like T.K. Whitaker, there was no drive or encouragement to re-think the system on behalf of its civil servants. For example, Barrington (1974) argued that the civil service was too representative of society since "Irish administrators tended to be the children of

small farmers, small shopkeepers and the petit bourgeois, not drawn from some hereditary or economic elite" (cited in Fanning, 2008: 204). Commentators were scathing of the fictional relationship between official advice and policy making promoted by civil servants as naïve, misleading and promoting bureaucratic inflexibility (ibid). It enshrined a false dichotomy that misrepresented the workings of the policy making processes and the activities of the "permanent government". Generally civil servants left ministers without any freedom of choice or ability to test the correctness of their advice. Ministers were dependent on the goodwill of their officials who were protected from accountability because of their anonymity, an impediment to self appraisal. To counter this, the Department of Public Service was established in 1973 to facilitate cultural change in the public service. But the role of the Minister and his/her relationship with parliament as envisaged in the Westminster-Whitehall model remained basic to the whole structure of government and political culture. Between 1973 and 1983 there was largely a gap between public policy and government practice. By 1981 a sharply rising debt to GNP ratio and a substantial current account balance of payments deficit of nearly 15 per cent forced a succession of different governments – five between 1981 and 1987 – to confront the problem. Despite the benefits flowing from EC membership the country was facing a crisis in the public finances and a crisis of confidence in the capacity of the political system to deal with it. Economic and financial imperatives placed public sector reforms very firmly back on the agenda. The Minister of Public Service, John Boland, presented a White Paper entitled *Serving the Country Better* (1985) which emphasised the necessity to change the administrative process and invoke more attention to management principles and value for money. Although these ideas received endorsement from senior politicians, real reform and culture change was shelved. In the late 1980s reform became associated with reducing the size of the civil service in a period of fiscal rectitude to the neglect of structural and operational improvements. The 'slash and burn' mentality is illustrated in the demise of the Department of Public Service in 1987 when its functions were restored to the Department of Finance and a recruitment embargo was introduced. One initiative under Garret Fitzgerald's government from 1982 to 1987, which did encourage a shift in culture away from the 19th Century Northcote-Trevelyan report influence, was changes to the method of top level promotion. The method of promotion changed to abort the damaging appointment by seniority, and from within rather than between departments. The top level appointments committee (from 1984) takes applications from high calibre personnel across the service for vacancies at the secretary general and assistant secretary level.

Responding to the Celtic Tiger – modernisation

Despite the benefits of EU membership, Ireland continued to exhibit the characteristics of a latecomer to economic development at the end of the 1980s. Ireland was compared to the East Asian developmental states that faced obstacles to which an active state with a "strategic planning capacity" was critical (O'Malley, 1989: 237). In a report for NESC in 1992 Lars Mjoset, a Norwegian sociologist, reached the conclusion that Ireland had a very poor national system of innovation. What was implied here was not just technical innovation but a broad capacity to

initiate and manage change (cited by McCarthy, 2006: 80). Despite this critique of the capacity of the system, Ireland managed to take advantage of EU membership and market access to pursue national economic policies that proved successful in promoting economic growth and restoring confidence in the Irish economy for investors by the early 1990s. The State was also stimulated by significant financial transfers from Europe at a time that coincided with a Europe-wide recession (1991-93) thereby ensuring that Ireland received a boost from EU funds opportunely.

Although not a concrete reform of the *modus operandi* of the civil service per se, a new departure to the model of policy making in Ireland is evident with the development of negotiated governance. In 1987 the newly elected Fianna Fáil government adopted a social partnership approach shaped by state deliberation, testing responses, negotiation and implementation with the major social partners. Taking a longitudinal view, an evolution from tripartism evident from the 1960s and 1970s to partnership after 1987 is evident in policy content, process and institutions. This model has endured as the route through which the directions to principal economic and social policy are set. A NESC strategy report is the main input into the negotiations between partners lead from the Department of Taoiseach and chaired by the Secretary General. An important feature of Ireland's system of social partnership has been the widening of the organisations involved in the process over time to include voluntary and community groups as well as key unions and economic actors. Although shaped by its own unique features this model reflects the challenges of contemporary governance through leading via complex networks as opposed to extending the 'command and control' management characteristics of traditional public administration.

However, while participation in the EU and the initiation of the social partnership process precipitated reform and innovation, this was not mirrored in all departmental structures and horizontal coordination. By the mid 1990s there was little evidence within the Irish system of the more pronounced aspects of managerialism implemented in other Westminster type systems under the banner of new public management (Connaughton, 2008). Many aspects of the human resource and financial management systems were regarded as outdated and unsuited to current needs and developments. The requirement to focus more concretely on the interdependence of the economy and politico-administrative system, public and private sectors was palpable since the organisational and institutional mechanisms with the capacity to identify and mediate these changes were not in place. To a large degree the bureaucracy remained rooted in the early traditions and its own internal logic, as opposed to adapting and modernising with the times. The Irish case differed, however, from several of its Westminster cousins in that a politicised attack on bureaucracy did not occur during the late 1970s/1980s. The impetus for change in Ireland occurred later in comparison to its Westminster cousins and in contrast came from officials and specifically from the concerns of senior civil servants about the performance of the system over which they presided. The political leadership supported this initiative and in 1994 the Taoiseach Albert Reynolds launched a process to underpin an emphasis on management change called the Strategic Management Initiative (SMI). The provision of better services, greater efficiency and value for money by public bodies

to the broad range of customers they serve was a central tenet of the programme. In tandem the strategy promoted a shift from a culture of secretness underpinned by the *Official Secrets Act 1911* to a culture based on openness. In all it was felt that there should be more attention to features of the model of corporate governance within Irish public administration and that changes needed to be addressed within the legislative framework to underpin responsibility and accountability in the civil service.

In March 1995 the then Government requested a coordinating group of secretaries to review existing systems for making decisions, allocating responsibility and ensuring accountability in the Irish Civil Service. Recommendations, albeit within the thinking and principles that had informed earlier attempts to reform, were made for a set of mechanisms mandating change. To a large degree these officials zoned in on public management reform processes and outcomes in New Zealand and Australia while taking into account the likely success of transferring such practices. Delivering Better Government (DBG) was published in 1996 and set out a strategic framework for change, specifically within the civil service but with the intention of broadening the process to the wider public service in order to fully contribute to national development. The central precept of this report was the promise of greater openness and accountability, a mission of quality customer service, efficient and fair operation of simplified regulations i.e. the need for civil servants to do a number of things better.

Greater attention to the features of corporate governance, however, implied necessary amendment to the *Ministers and Secretaries Act 1924*. This was addressed by the *Public Services Management Act 1997* which, drawing from the New Zealand experience, set out to enhance the management effectiveness and transparency of departments and provide for increased accountability of civil servants through the setting of key objectives and outputs, strategy statements and business plans. The crux of this legislation was the intention to allocate authority and accountability for service delivery to those who provide the service, develop a performance management culture and a results oriented approach to decision making. In terms of roles and responsibilities the role of the secretary general as an accounting officer is outlined in section 4 of the Act and while the principle of managerial accountability is strongly promoted, it is questionable as to whether it is balanced with the constitutional requirement of governmental accountability to parliament. The Irish model continues to be based on the principle that ministers are collectively accountable for the performance of the functions assigned to their departments and secretaries general are accountable to their ministers (see MacCarthaigh, 2005; Connaughton, 2006). To a large degree public management reform in the context of 'letting the managers manage' does not alleviate the complexities of these relationships at the apex of the administration or necessarily sharpen accountability. Rather it would appear to complicate rather than clarify them when controversy arises. The framework has more potential to be successful at middle layers of management where designated units remain (principally, but not exclusively) under the control of departmental managers and in which information systems are linked to a new culture of audit.

Embedding the strategic management process in the day to day management and operation of government organisations is overseen administratively by an Implementation Group of Secretaries General and a Public Service Modernisation Division that works in close co-operation with the Department of Finance. It is evident that a modernisation of process and procedure has occurred since 15 years ago regulatory reform did not exist, only a limited number of departments would have produced a business plan based upon a statement of strategy or regarded the public as customers - let alone establish customer charters (Connaughton, 2008). It has been acknowledged though that progress has been made under the more outward facing themes and not on the more technical corporate support services (PA Consulting, 2002). This has been remedied by some advancement on the latter with the Performance Management and Development System (PMDS), further delegation of financial authority to individual ministers with agreed parameters and criteria, and the introduction of accruals accounting. A series of OECD economic surveys have evaluated progress in attempts to obtain better value for money from public expenditure in line with the modernisation programme objectives. They point to systematic, steady but incremental reform in some areas and new instruments such as Value for Money guidelines on appraisal and cost-benefit analysis of capital projects, Organisational Review Programme and Efficiency Reviews to maximise administrative savings (OECD, 2008).

The SMI remained the bedrock of the modernisation programme until 2008 and the findings of an external evaluation signalled that the civil service was better managed but that implementation was incomplete (PA Consulting, 2002). The overall 'buy in' of the civil service and change in culture does need to be questioned. In many ways reform is embraced by the bureaucratic elites but its impact on the awareness of the lower grades is questionable. A survey on communicating change and modernisation in the civil service in January 2003 found that overall awareness of SMI initiatives was generally quite poor, with a quarter of civil servants (mainly middle and lower grades) unable to name any reform initiative to implement change in the previous five years. Many have not internalised or understood many of the key reform initiatives.

Taking stock and moving forward

In 2007 the Irish government requested the OECD to undertake a review of the public service as a whole. The OECD was given two tasks: first, to benchmark the public service in Ireland against other comparable countries, and to identify appropriate measures to compare the productivity and effectiveness of the Irish system, or discrete elements of it, against comparable international best practice. Secondly, to make recommendations as to future directions for public service reform, to support the Irish Government's drive for delivery of best quality services to the citizen within existing resources and contribute to sustainable national competitiveness.

The review was published in 2008 and called for a renewal of public service reform. The report argued that a decade of reform had resulted in progress but in

uncoordinated development. It affirmed that introducing strategic vision, greater performance review and an integrated senior executive service was necessary (OECD, 2008). The review also indicated that despite major increases in public sector employment and expenditure, public disbursements remained small as a percentage of total GDP in comparison to other OECD countries and generally reflected a typical 'catching up' process. What the recommendations appear to indicate is that modernisation is evident but an overall paradigm shift is not in relation to the culture and workings of many aspects of the service. The injection of technical engineering through the application of more business like techniques arguably can only go so far and does not change the fundamentals of a system or threaten settled positions and interests. The recommendation of a senior executive service would imply that senior managers must do more to drive change downwards through the civil service, encourage mobility and appropriate skills deployment in addition to fostering a progressive culture amongst the bureaucratic elite themselves.

Following publication of the review, the Taoiseach announced the establishment of a task force to develop an action plan for the public service. The task force was asked to prepare a comprehensive framework for renewal of the public service, which takes into account the analysis and conclusions of the OECD, as well as the lessons to be drawn from the experience of reform. It published *Transforming Public Services – Citizen Centred, Performance Focused* in November 2008 with recommendations for a more integrated public service framework. The report's sentiments appear to echo the objectives of the original SMI/DBG in many ways but encompass evidence of some learning accrued from that original process. The report attempts to articulate a way forward and embed a greater performance culture within public administration. However, the task force was completing its work in significantly different circumstances. The challenge now facing the public service is not just to accentuate its performance but also to assist the political leadership face new domestic economic and financial realities exacerbated by global recession. While the initial downturn in activity in 2008 was driven by the sharp decline in the Irish property and construction sectors, it broadened into a marked weakening of domestic demand that is being significantly amplified by the fall in export demand, reduced tax receipts (higher borrowing requirements) and high unemployment. The Irish economy shrank further in 2009 with projections that GDP and GNP declined by 7 per cent and 11.3 per cent respectively (Central Bank, 2010) whereas the standardised unemployment rate rose to 12.6 per cent in February 2010 (CSO, 2010).

It is obvious that the public sector is not responsible for what has happened in Ireland or internationally in the banking sector. Nor can it insulate the State from the effects of the global downturn, but a renewed focus on public sector rationale and effectiveness has returned. The OECD report may well have highlighted the relatively modest size of the public sector but this was during a period when there was a healthy private sector to underpin it. In 2009 day to day public expenditure reached its highest share of GNP since 1986. In the period prior to the budget measures announced in April and December 2009, public sector earnings were considered to be higher than in the private sector. A sharp relative increase in

public sector wages occurred following the first Public Service Benchmarking Body (PSBB) report which recommended an overall increase in public service pay costs of 8.9 per cent (PSBB, 2002). These pay increases were tied to the elimination of many inefficient working practices, such as the system of linking pay in different parts of the public sector, and a greater volume of output. In practice, progress is hard to evaluate: although reports were published that show compliance with the agreed changes in working practices, no evidence was made available to demonstrate that better outcomes had been achieved and changes in working practices clearly apparent.

Faced with need to retrieve sharp loss in competitiveness and without the option of using the exchange rate to do so, nominal wage cuts were considered essential (O'Leary, 2009). Cutting the number of public servants may be necessary and it would be much more preferable that such a measure be implemented as part of a programme of intelligent public sector reform. The principal response has been a range of blunt instruments introduced to swiftly decrease the size of the public sector pay bill in the form of an income levy, pension levy and pay cuts specific to public sector workers. In December 2008 the government established 'An Bord Snip Nua' or officially the Special Group on Public Service Numbers and Expenditure Programmes (SGPSNEP) to review whether resources are deployed effectively across the public service. Its report published in July 2009 recommended €5.3 billion in potential savings, including 17,300 public service job cuts and a 5 per cent drop in social welfare (Department of Finance, 2009). The mini-budget in April 2009 announced an early retirement scheme where workers will not be replaced unless sanctioned by the Department of Finance. The Minister also ordered a review of top-level public sector pay rates and introduced a service wide employment embargo. While senior public servants have voiced the imperative to reinstate and respect the traditional values of public service rather than concentrate on bonuses and performance related pay (McCarthy, 2006), the cost and perceived inefficiency of the public sector in a weakening economy has led to more intensified negative commentary. The public sector does have areas of inefficiency; it can be slow to engage in structural reform, and often management skills may be poor or absent. But the mantra that "the private sector does it better" appears harder to promote when viewed alongside the recklessness and unethical behaviour of representatives of the banking sector. What has been illustrated by the financial crisis, however, is the lack of specific economic expertise in the Department of Finance. The input and skills of economic specialists and other professionals capable of taking a strategic view needs to be acquired to curb the perceived conservative, short term, cost cutting mentality of the Department of Finance. A capacity review of the Department in July 2009 highlighted areas where it needs to address reform and re-organisation in order to perform more effectively. The recommendations included the development of more enhanced policy analysis skills and greater attention to specialist management training tailored to the civil service as opposed to generic management skills training (Department of Finance, 2009: 53). Access to specialist skills, including economic forecasting, was a specific recommendation. An audit of the number of qualifications held by staff of all grades in various disciplines at diploma, primary degree and masters level indicated that only twelve out of a total of 514 qualifications were in economic policy analysis/policy studies (ibid, p.59).

Despite the other range of skills available the number of economists within the Department is not sufficient and this expertise should be available in-house as well as procured from or triangulated by external experts. In the past the administrative side of the civil service has opposed the recognition of professional grades (such as economist), thus precluding such specialists from a normal career trajectory in the Department (FitzGerald, 2009). In light of the current vulnerability of the Irish economy, appropriate expertise of this nature can not be compensated by the collective and institutional civil service memory and the review acknowledged that the Department should be more pro-actively engaged with strategic issues.

Continuity or Change?

Ireland came to statehood with a very traditional understanding of the role of the state as a night watchman state (McCarthy, 2006). As a small state on the fringe of Europe, Ireland has undergone enormous transformations since the beginning of the 1990s – economically, socially, culturally, politically and environmentally. Up to 2007 commentators referred Ireland as “a place that other countries want to emulate, particularly those of Eastern Europe” (Kitchin and Bartley, 2007). Ireland’s status as a role model is now far more questionable as the country remains in the throes of a serious crisis. In the public finances area, it is critical that firm and decisive action is sustained to reverse a major deterioration and stave off a worsening of the general government deficit. The sharp descent in the robustness of the fiscal position triggered criticism at EU level and a concern in international markets about the scale of the exchequer financing needs in difficult market conditions. The preservation of confidence in the Irish economy required restoring order to the public finances a matter of urgency. The institution of the civil service has an important role to play in assisting the political leadership with these ongoing challenges.

This discussion has attempted to articulate the core characteristics of the central bureaucracy and provide some insight into attempts over time to introduce reform and stimulate a more strategic policy making capacity. With reference to Christian and Laegreid’s (2001) distinction, Ireland conforms more generally to the model of the ‘sovereign state’ and with reference to Pollitt and Bouckaert’s (2004: 100) typology - a ‘moderniser’ and advocate of the Neo-Weberian State rather than the NPM state. This embodies a belief in the distinctiveness of public service but acknowledges the need for fairly fundamental changes in the way the administrative system is organised. EU membership and an increased interconnection with the global economic system have provided a catalyst for this modernisation. Although regarded as a late developer, given the policy decisions of the 1930s to 1950s, the system is now more open to examining alternative methods of addressing problems and in lesson learning from further a field. Ireland’s reform experience has been different to other Westminster type systems in that ideologically driven, radical reform has not been a central plank of its programme unlike practices in the UK or New Zealand. It reflects a ‘top down’ process of largely generic management restructurings and processes initiated in the 1990s and born from the necessity to adapt to the exigencies of EU membership and

economic challenges. What is also different from some other states is that political drivers were not instrumental in instigating the contemporary reforms (even if their support was necessary). Rather the modernisation of the administration was motivated by the elite perceptions of senior civil servants benefiting from the hindsight of service and their information networks within the EU and OECD.

In terms of a historical and sociological institutionalism it is evident that the central bureaucracy has retained many of the core features embedded in the institutional framework in the early decades of independence and these have mediated change. Kissane (1995) has commented that the development of Irish political culture reflects the pre-modern durability of Irish institutions due to the incorporation of that culture's norms. The centrality of the 'logic of appropriateness' to the normative approach results in a set of behavioural expectations for individuals in positions within the institution and then reinforces behaviour that is appropriate for the role and sanctions behaviour that is inappropriate (Peters 2005:31). In the Irish case an electoral system based on transferring votes between candidates (in many cases of the same party), trends towards coalition government and social partnership perpetuate a consensual political culture biased towards conservative and incremental policy development. The role of the Minister and his/her relationship with parliament as envisaged in the Westminster Whitehall model also remains basic to the whole structure of government and has become part of the administrative/management culture as it affects the civil service and how it operates. The values of impartiality and pragmatism remain intrinsic to behaviour and the self image of senior civil servants and it takes considerable political will to drive changes to the policy status quo. The Department of the Taoiseach has undertaken a greater co-ordination role but the imprint of the Department of Finance and its culture remains significant. Recommendations from the past and the present remind us of how much and how little the system has changed. The Devlin Report noted in 1969 that "the system permits the less competent and energetic officer to get by" and this feature is echoed in the comments of the OECD review that "there is little evidence of detailed performance dialogue in Ireland" (OECD, 2008). The latter phrased clearly in contemporary management discourse but the sentiments are similar.

It would appear that internal logic of the service has been a major influence in enhancing and also not enhancing the strategic capacity of the state. It is acknowledged that the civil and public service has tended to be good at responding to initiatives when necessary, but "weak at putting them forward or shaping them at the outset" (Callanan, 2007: 37). The authors of the OECD review advocating an integrated public service has urged that the bureaucracy "look beyond its own internal logic to adopt that of the citizen and embrace new ways of looking at old problems" (2008:36). The review notes that public service reform in Ireland has not been based on any particular ideology or philosophy of reform but rather has been based on pragmatism. This institutional feature has endured and is possibly reinforced by the career system which can make senior managers cautious and resistant to change. Reform initiatives are seeking to address the inflexibility of mobility between or even within departments and the deployment of human resources across the service. The system could learn from initiatives in the

Netherlands and Finland seeking to develop the competencies and career planning of top managers in the civil service. The development of more effective leadership capacities and the injection of more specialist expertise would buoy up the strategic capacity of the service. What is evident from the Irish experience of central government reform is that the commitment of a relatively small cadre of senior officials is a valuable asset for the Irish State. But the capacity to consider longer term issues proactively is more modest and rooted in institutional routines. The Irish experience bears parallels to the evidence from other Western public sectors that institutional cultures cannot be rapidly transformed.

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